

FIG. 2

FIG. 3

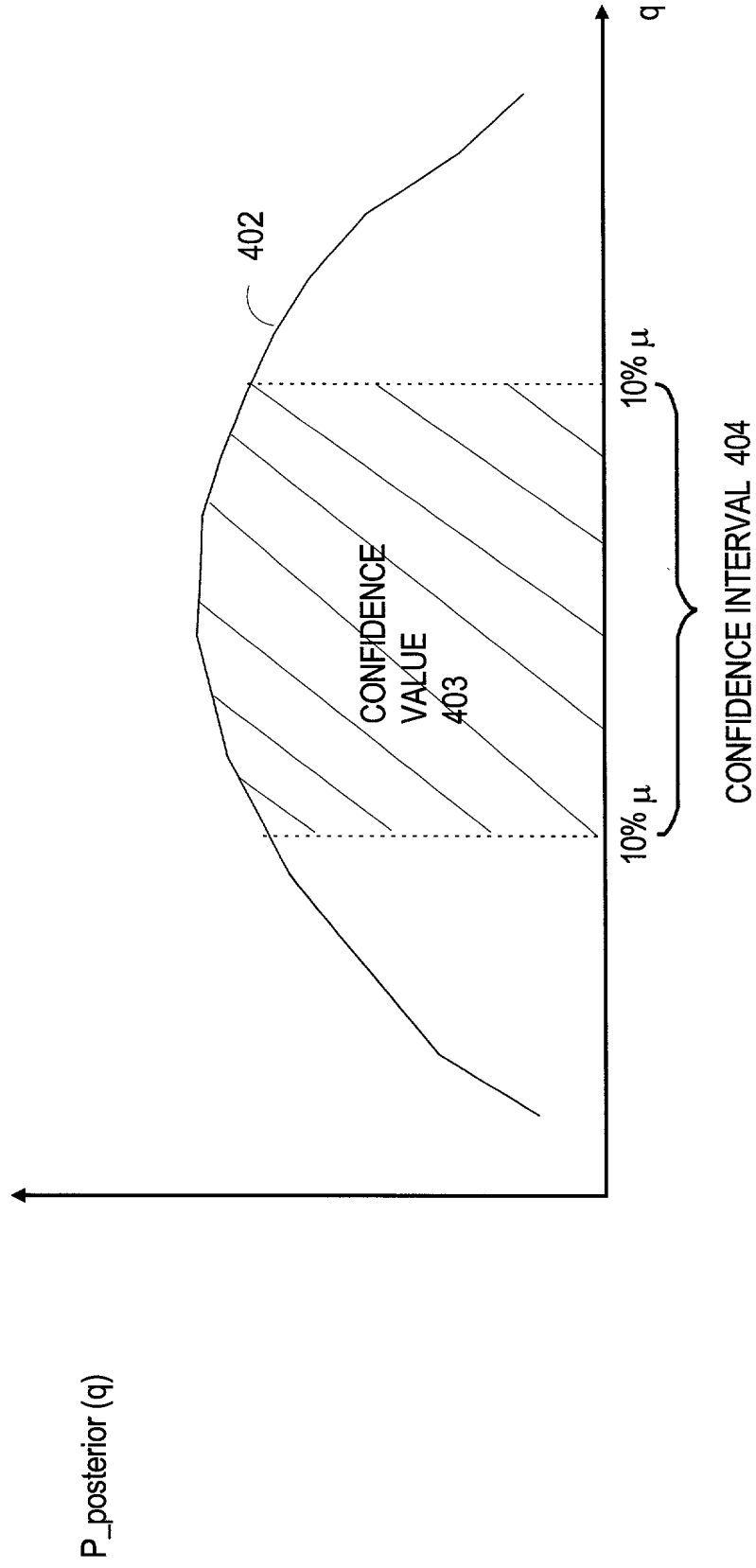


FIG. 4A

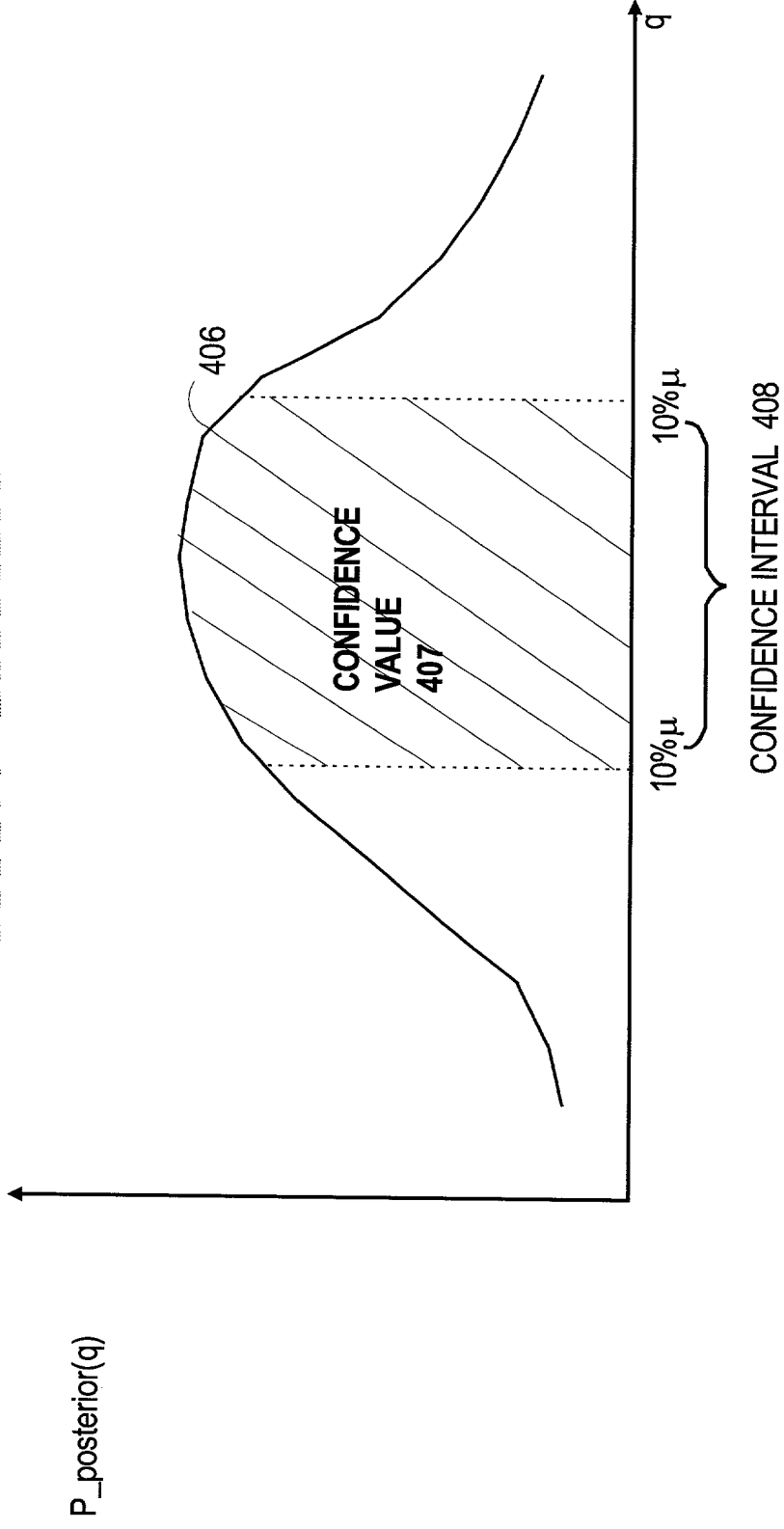


FIG. 4B

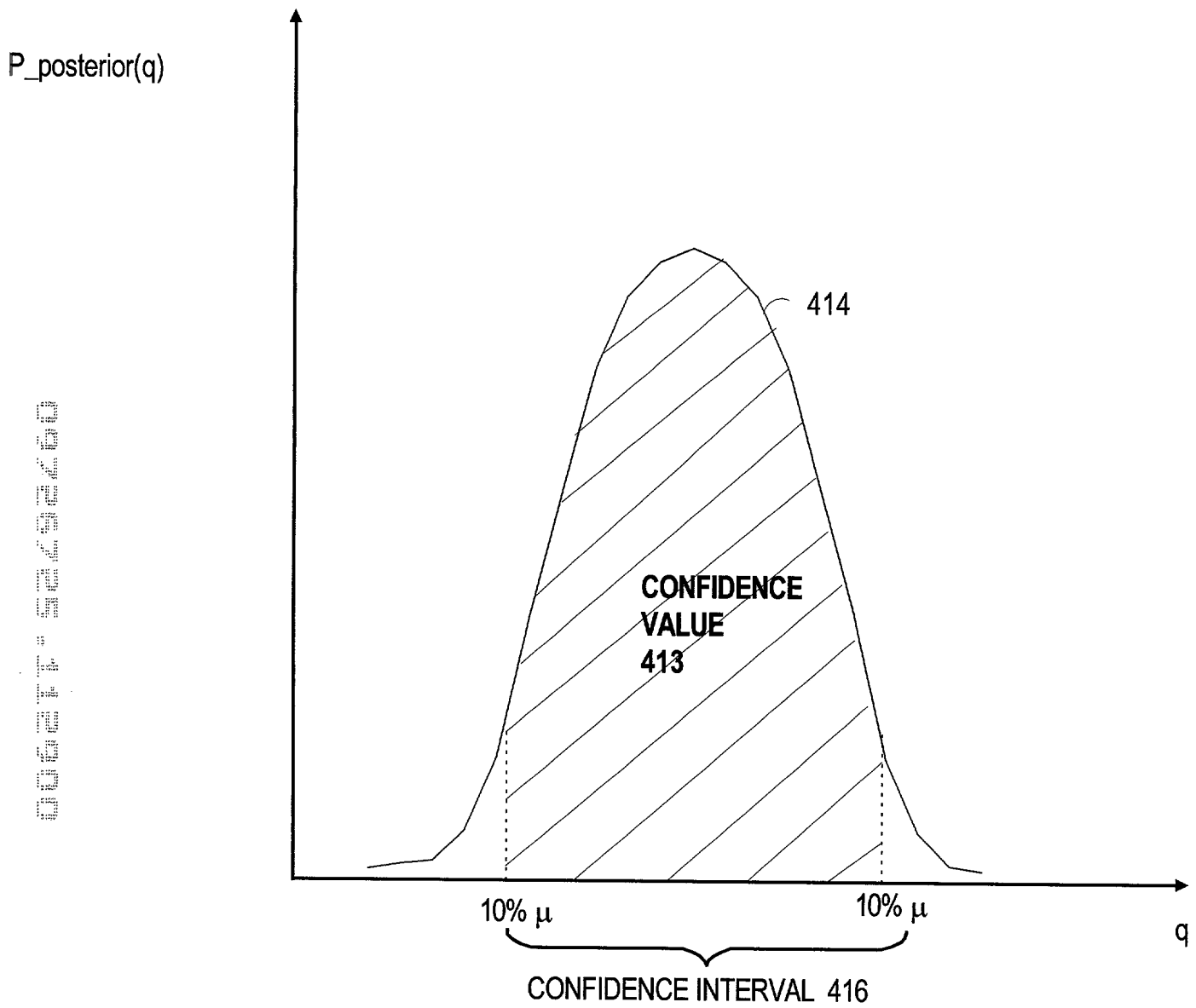


FIG. 4C

SELECT PRICE CANDIDATES FOR PARALLEL CALIBRATION FROM A POOL OF UNTESTED PRICE CANDIDATES

502

MARK SELECTED PRICE CANDIDATES AS ACTUAL PRICE CANDIDATES FOR THE PARALLEL OFFERING PROCESS

504

TAKE L2B (DEMAND) MEASUREMENT FOR EACH ACTIVE PRICE CANDIDATE

506

DETERMINE A PROBABILITY DISTRIBUTION OF THE DEMAND CORRESPONDING TO EACH L2B MEASUREMENT BY USING A BINOMIAL MODEL OF DEMAND

508

APPLY BAYESIAN UPDATE WITH EACH SUCCESSIVE L2B MEASUREMENT FOR EACH ACTIVE PRICE CANDIDATE UNTIL THE PROBABILITY DISTRIBUTION OF DEMAND OF ONE OF THE ACTIVE PRICE CANDIDATE CONVERGES

510

MARK THE FIRST-TO-CONVERGE PRICE CANDIDATE AS BASELINE PRICE

512

CONTINUE TAKING SUCCESSIVE L2B MEASUREMENTS FOR EACH OF THE ACTIVE PRICE CANDIDATES AND APPLYING BAYESIAN UPDATE WITH EACH SUCCESSIVE L2B MEASUREMENT UNTIL AN ACTIVE PRICE CANDIDATE REACHES CONCLUSIVE PERFORMANCE

514

GO TO
BLOCK 520
OF FIG. 5B
516

FIG. 5A

FIG. 5B

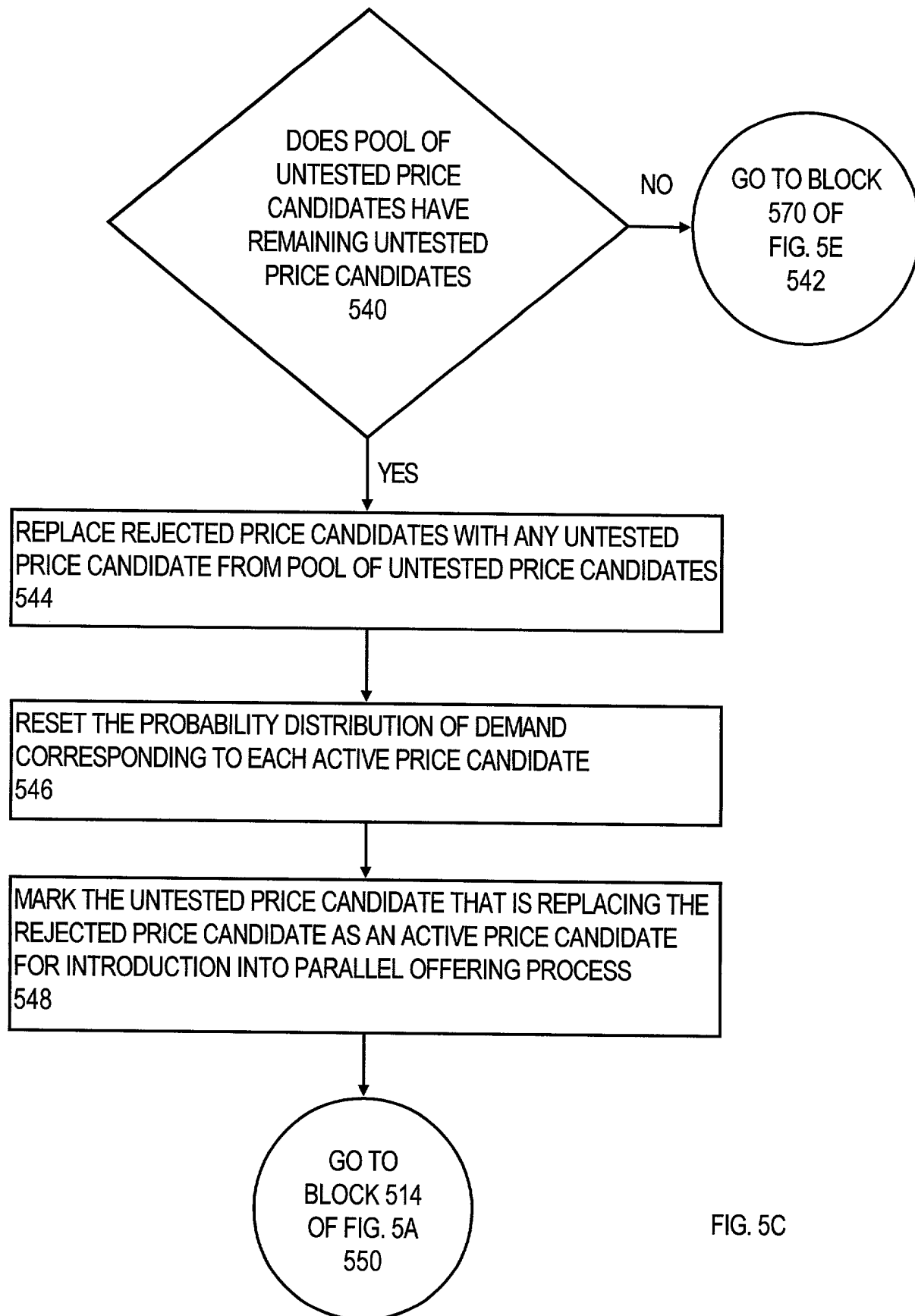


FIG. 5C

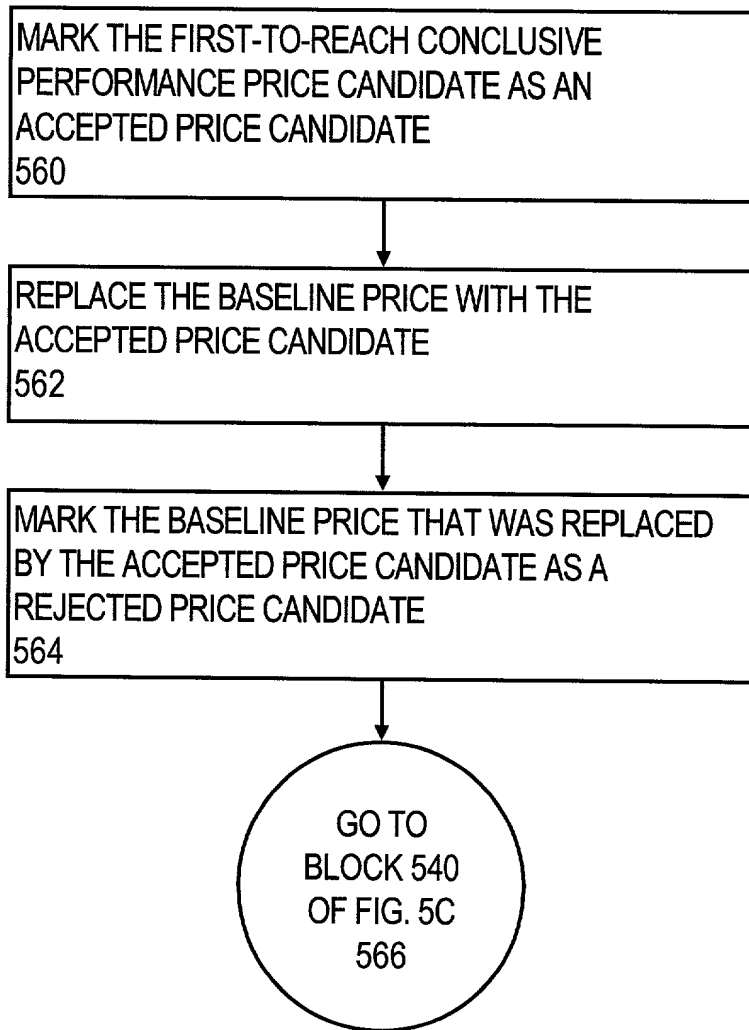


FIG. 5D

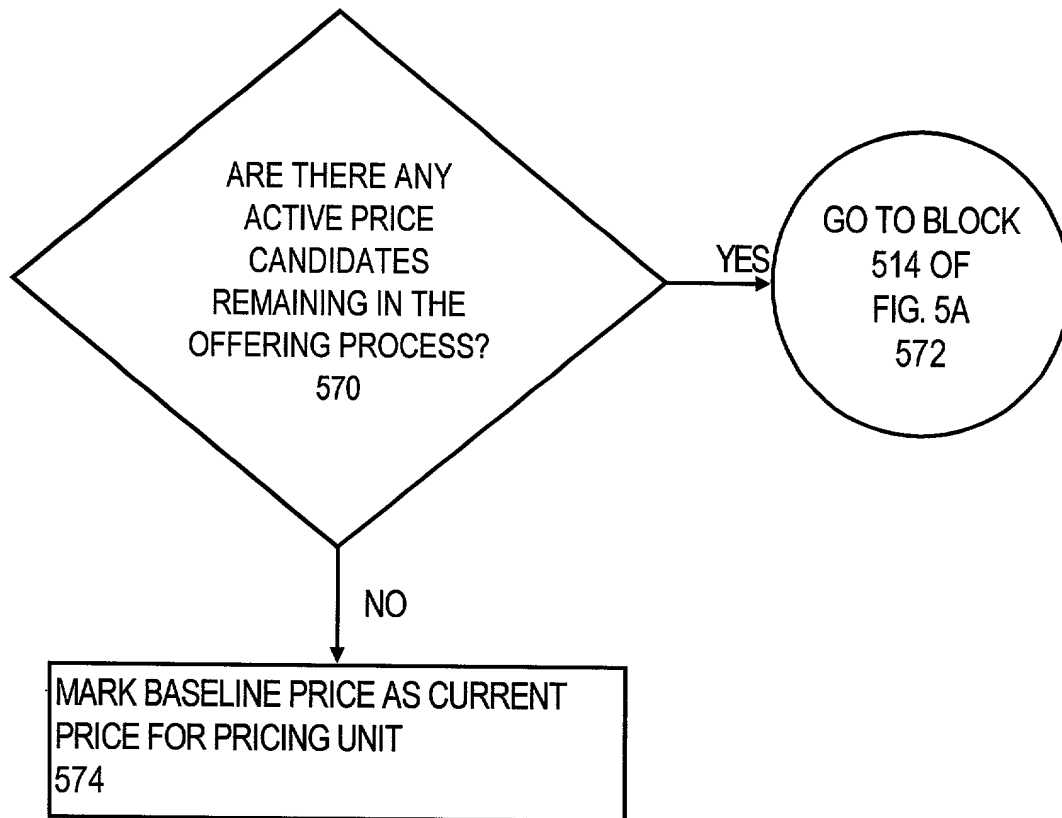


FIG. 5E

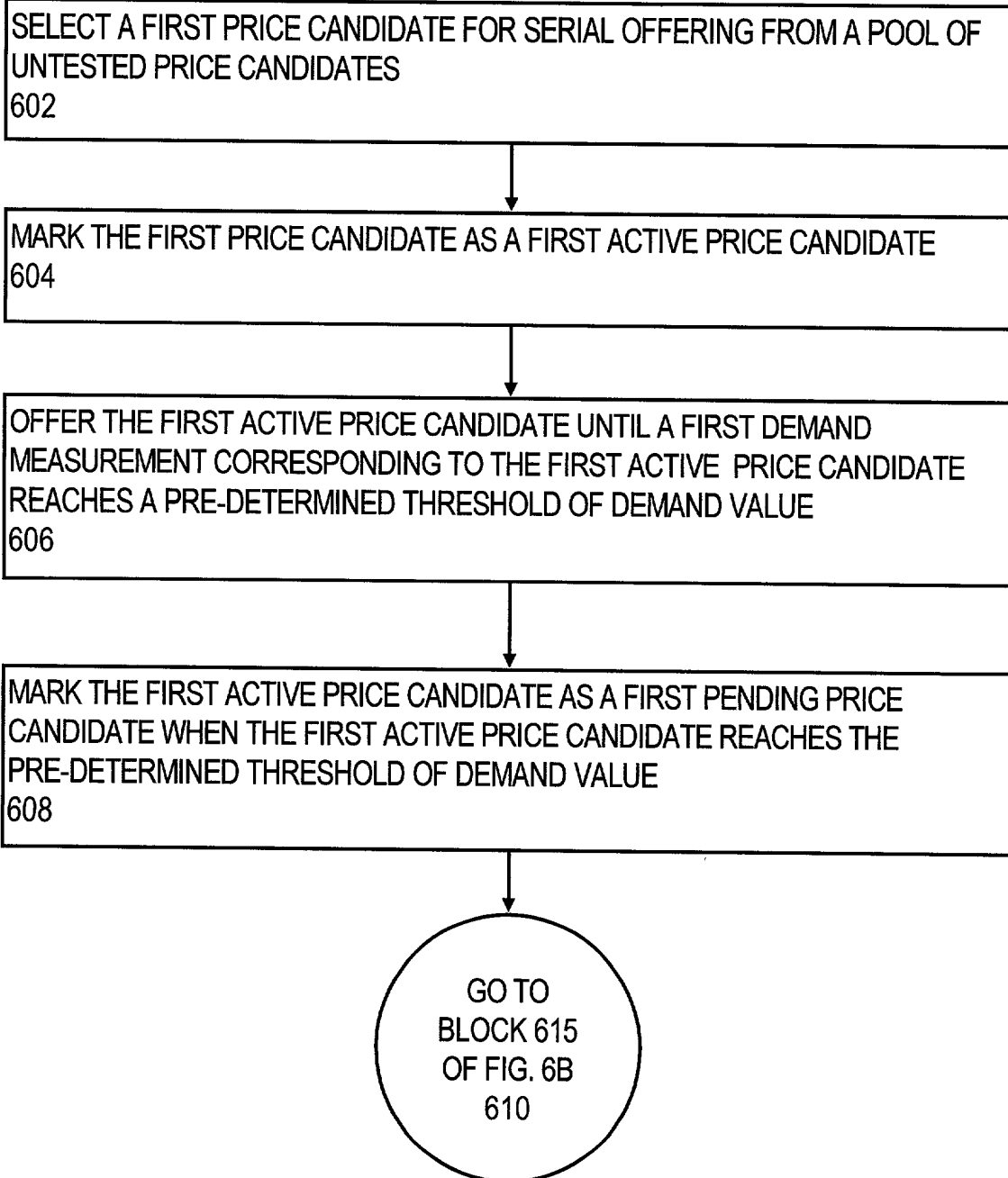


FIG. 6A

SELECT FOR OFFERING UNTIL CONVERGENCE ONE OF THE TWO
PENDING PRICE CANDIDATES
625

IF THE SELECTED PENDING PRICE CANDIDATE REACHES
CONVERGENCE, THEN USE THE SELECTED PENDING PRICE
CANDIDATE AS A BASELINE PRICE. OTHERWISE, GO TO BLOCK
645 OF FIG. 6E
627

DETERMINE WHETHER THE REMAINING PENDING PRICE
CANDIDATE THAT WAS NOT SELECTED FOR OFFERING UNTIL
CONVERGENCE OUT-PERFORMS OR UNDER-PERFORMS THE
BASELINE PRICE
629

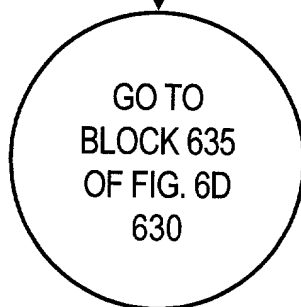


FIG. 6C

IF THE REMAINING PENDING PRICE CANDIDATE THAT WAS NOT
SELECTED FOR OFFERING UNTIL CONVERGENCE
OUT-PERFORMS THE BASELINE PRICE, THEN REJECT THE
BASELINE PRICE AND USE THE REMAINING PENDING PRICE
CANDIDATE THAT OUT-PERFORMS THE BASELINE PRICE AS THE
SURVIVING BASELINE PRICE
635



IF THE REMAINING PENDING PRICE CANDIDATE THAT WAS NOT
SELECTED FOR OFFERING UNTIL CONVERGENCE
UNDER-PERFORMS THE BASELINE PRICE, THEN REJECT THE
REMAINING PENDING PRICE CANDIDATE THAT UNDER-PERFORMS
THE BASELINE PRICE AND USE THE BASELINE PRICE AS THE
SURVIVING BASELINE PRICE
637



GO TO BLOCK
675 OF FIG. 6 H
639

FIG. 6D

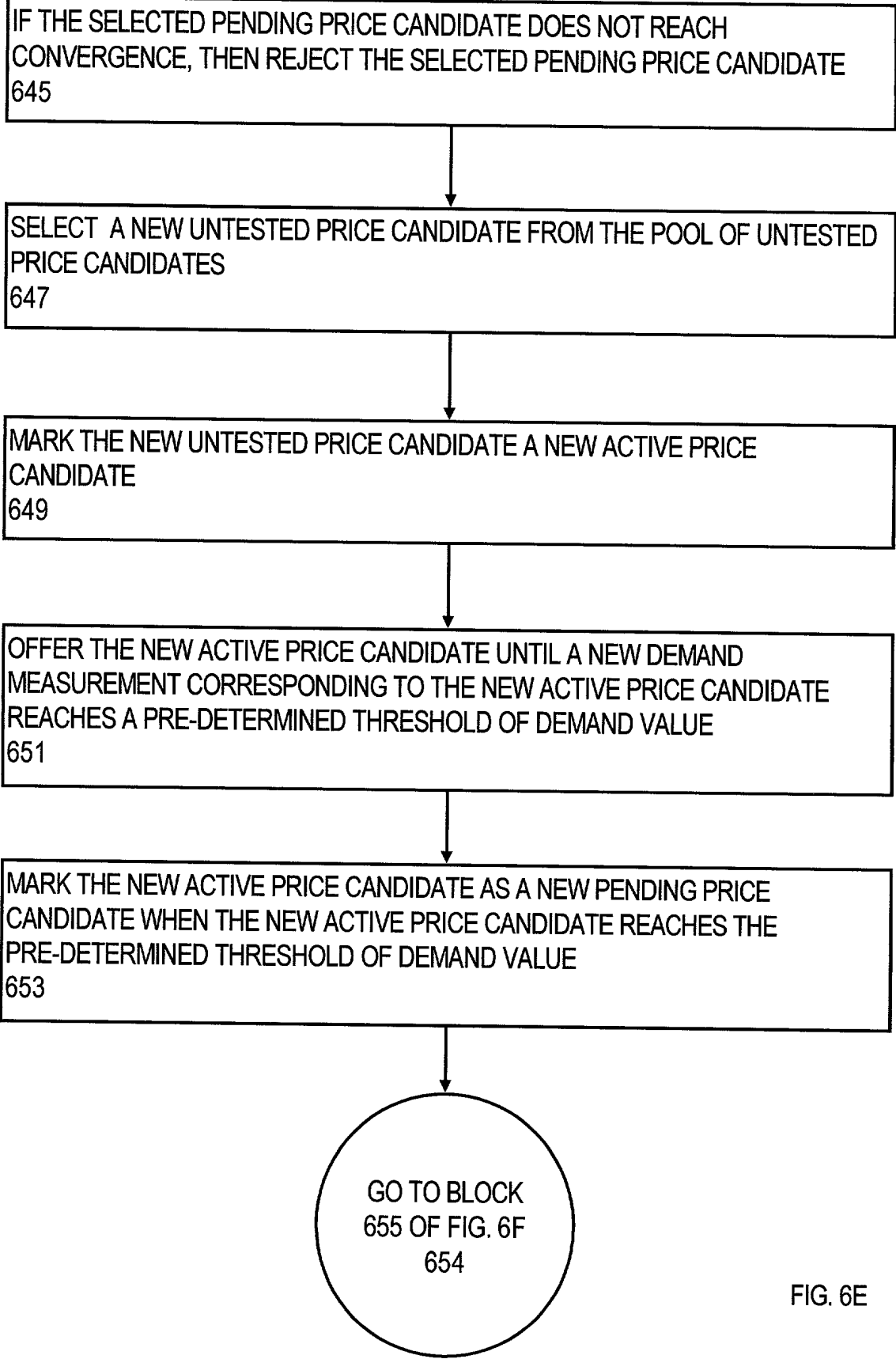


FIG. 6E

SELECT FOR OFFERING UNTIL CONVERGENCE ONE PENDING PRICE CANDIDATE THAT IS A MEMBER OF A NEW SET OF PENDING PRICE CANDIDATES THAT INCLUDES THE REMAINING PENDING PRICE CANDIDATE THAT WAS NOT SELECTED FOR OFFERING UNTIL CONVERGENCE IN FIG. 6C AND THE NEW PENDING PRICE CANDIDATE OF BLOCK 653

655

DOES THE SELECTED
PENDING PRICE
CANDIDATE REACH
CONVERGENCE?
657

NO

GO TO BLOCK 645 OF FIG. 6E
659

YES

USE THE SELECTED PENDING PRICE CANDIDATE THAT REACHES
CONVERGENCE AS THE BASELINE PRICE
661

DETERMINE WHETHER A NEW REMAINING PENDING PRICE CANDIDATE THAT
WAS NOT SELECTED FOR SERIAL OFFERING UNTIL CONVERGENCE FROM THE
NEW SET OF PENDING PRICE CANDIDATES OUT-PERFORMS OR
UNDER-PERFORMS THE BASELINE PRICE
663

GO TO
BLOCK 670
OF FIG. 6G
665

FIG. 6F

IF THE NEW REMAINING PENDING PRICE CANDIDATE THAT WAS NOT SELECTED FOR OFFERING UNTIL CONVERGENCE OUT-PERFORMS THE BASELINE PRICE, THEN REJECT THE BASELINE PRICE AND USE THE NEW REMAINING PENDING PRICE CANDIDATE THAT OUT-PERFORMS THE BASELINE PRICE AS THE SURVIVING BASELINE PRICE
670

IF THE NEW REMAINING PENDING PRICE CANDIDATE THAT WAS NOT SELECTED FOR OFFERING UNTIL CONVERGENCE UNDER-PERFORMS THE BASELINE PRICE, THEN REJECT THE NEW REMAINING PENDING PRICE CANDIDATE THAT UNDER-PERFORMS THE BASELINE PRICE AND USE THE BASELINE PRICE AS THE SURVIVING BASELINE PRICE
672

GO TO
BLOCK 675
OF FIG. 6H
673

FIG. 6G

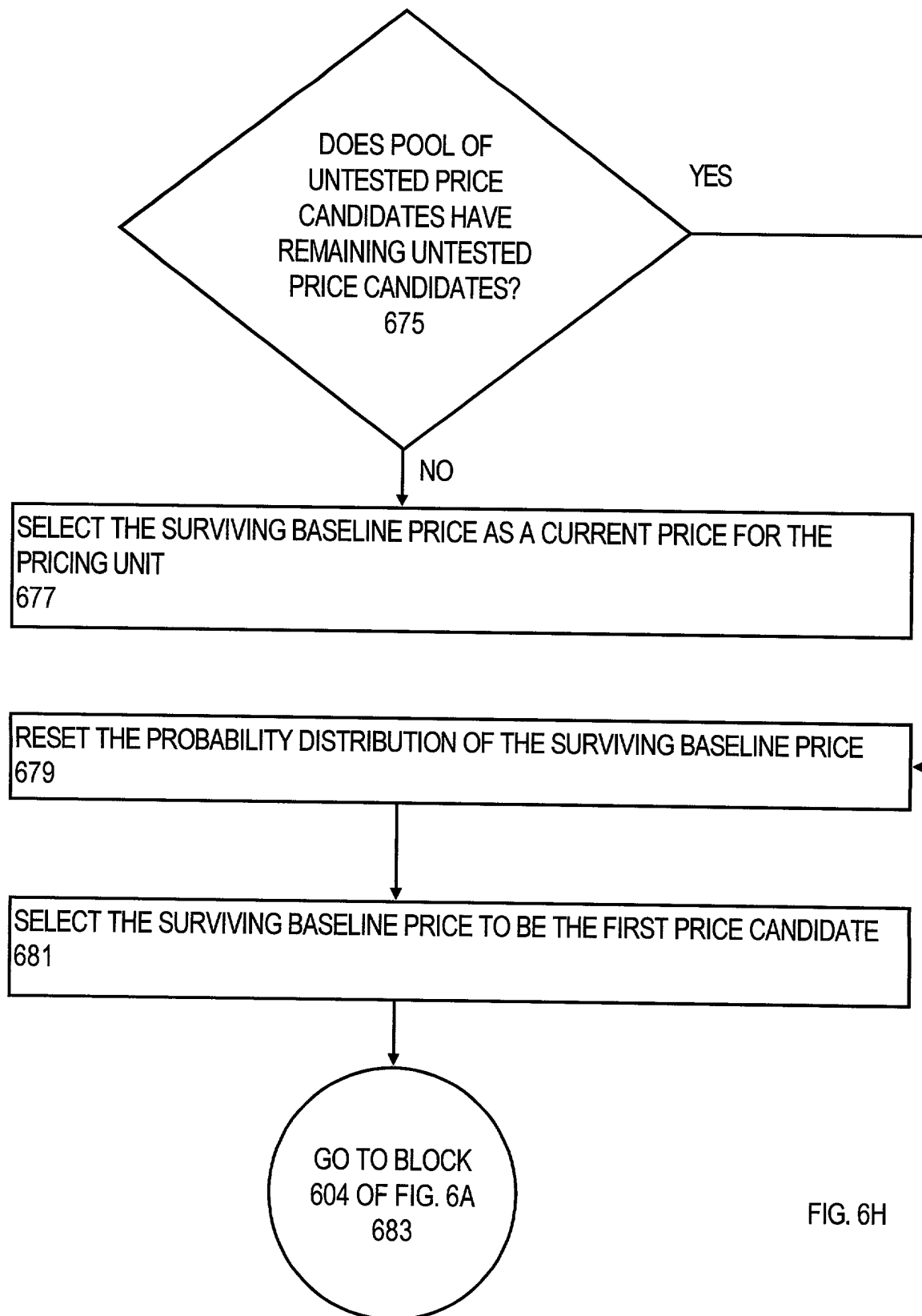


FIG. 6H

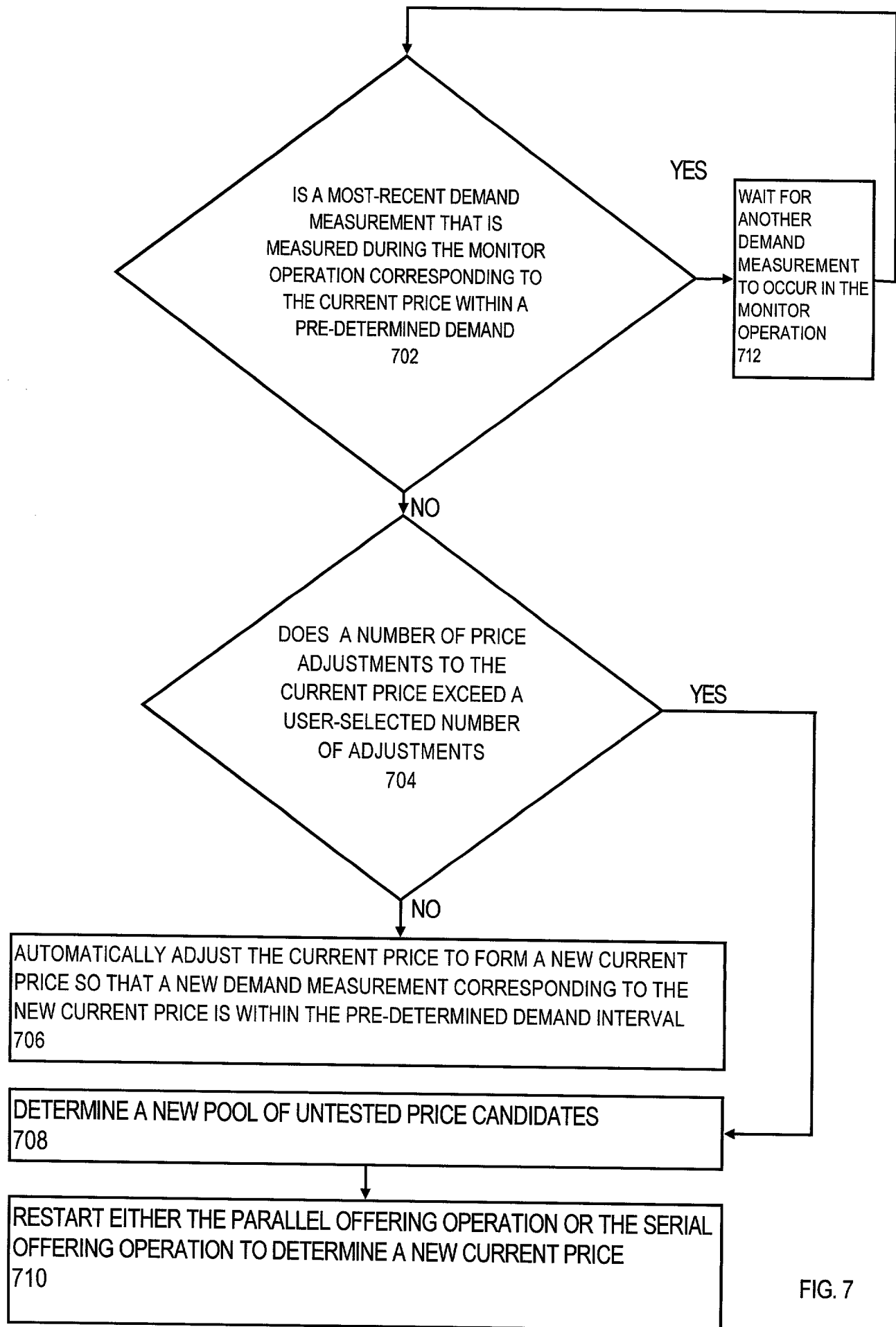


FIG. 7

FIG. 8

